

## Bureau of Land Management, Interior

## § 3210.12

### **§ 3208.16 During the extension, may I switch my choice to either pay instead of produce in commercial quantities or make significant expenditures?**

No, you may not make this change during an extension period. If you request a second extension, you may change your election for the second five year period when you submit your request.

### **§ 3208.17 If I begin production, do I get a credit for payments made instead of production in commercial quantities or significant expenditures?**

No, if you begin production, you will not get a credit against royalties for either payments instead of production or significant expenditures made for that year.

## **Subpart 3209—Conversion of Lease Producing Byproducts**

### **§ 3209.10 May I convert my geothermal lease to a mineral lease?**

You may convert your geothermal lease to a mineral lease, effective the first day of the month following the date BLM determines you have met the terms of conversion, if:

- (a) Your lease is in an extended term;
- (b) The byproducts you are producing in commercial quantities are leasable under the Mineral Leasing Act (30 U.S.C. 181 *et seq.*), or under the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351-358); and
- (c) The lease is primarily valuable for the production of just that mineral.

### **§ 3209.11 May I convert my geothermal lease to a mining claim?**

If the minerals are not leasable but are locatable and would be considered a byproduct if geothermal steam production were to continue, you are entitled to locate these minerals under the mining laws. To acquire these rights, you must complete the mining claim location within 90 days after the geothermal lease terminates. Also, there must have been no intervening location and the lands must be open to entry under the mining laws.

### **§ 3209.12 May BLM include additional terms and conditions to my converted lease?**

If leases converted under either 43 CFR 3209.10 or 3209.11 affect lands withdrawn or acquired to aid some purpose of a Federal department or agency, including the Department of the Interior, BLM may include additional terms and conditions in your lease as prescribed by the appropriate agency.

### **§ 3209.13 How do I convert my geothermal lease to a mineral lease or a mining claim?**

Just send us a request.

## **Subpart 3210—Additional Lease Information**

### **§ 3210.10 When does lease segregation occur?**

(a) Lease segregation occurs when:

- (1) A portion of a lease is committed to a unit agreement while other portions are not committed; or
- (2) Only a portion of a lease is located in a participating area and the unit contracts. The portion of the lease outside the participating area would be eliminated from the unit agreement and segregated as of the effective date of the unit contraction.

(b) BLM will assign the original lease serial number to the portion within the plan or agreement. We will give the lease portion outside the plan or agreement a new serial number with the same lease terms as the original lease.

### **§ 3210.11 Does a lease segregated from an agreement or plan receive any benefits from unitization of the committed portion of the original lease?**

The new segregated lease stands alone and does not receive any of the benefits provided to the portion committed to the unit. We will not give you an extension for the eliminated portion of the lease based on status of the lands committed to the unit, including production in commercial quantities or the existence of a producible well.

### **§ 3210.12 May I consolidate leases?**

BLM may approve your consolidation of two or more adjacent leases that